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COOK COUNTY RECORDER

95-0361

SUBORDINATION AGREEMENT

This Agreement is entered into as of this 12 day of December, 1995, by and between 212 HALSTED CORPORATION, an Illinois corporation ("Tenant"), and COMMERCIAL NATIONAL BANK OF CHICAGO, a national banking association ("Mortgagee"), having its principal place of business located at 4800 N. Western Avenue, Chicago, IL 60625. 2750

RECITALS:

WHEREAS, Tenant has entered into that certain restaurant lease dated May 21, 1993, (the "Lease"), pursuant to which Tenant has leased certain premises (the "Leased Premises") comprising all or part of and/or located on the real estate legally described in Exhibit "A" attached hereto and made a part hereof (the "Real Estate"); and

WHEREAS, COMMERCIAL NATIONAL BANK OF CHICAGO, not personally but as Trustee under Trust Agreement dated December 11, 1995, and known as Trust No. 1265, assignee of Western Springs National Bank and Trust, Trustee u.t.a. dated 5/4/93 a/k/a Trust No. 3421 ("Landlord"), as owner of the Leased Premises, will soon execute and deliver to Mortgagee a Mortgage, Assignment of Rents, Security Agreement and Fixture Financing Statement (the "Mortgage") encumbering the Real Estate to secure certain indebtedness to the Mortgage described herein (the "Loan"); and

WHEREAS, Mortgagee, as a condition to making the Loan, has required the execution of this Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and agreements herein contained and to induce Mortgagee to make the Loan and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

This instrument was prepared by, and after recordation should be returned to, Joel C. Solomon, Grossman, Solomon & Fielkow, P.C., 7101 N. Cicero Avenue, Suite 110, Lincolnwood, IL 60466.

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1. Tenant hereby agrees not to amend or modify the Lease without the prior written consent of Mortgagee.

2. Tenant hereby confirms that, as of the date hereof:

a. the Lease is in full force and effect and there is no existing default under the Lease or circumstance existing that with the passage of time, the giving of notice, or both, would constitute a default under the Lease;

b. no rents have been prepaid except as provided by the Lease, and Tenant does not now have or hold any claim against Landlord that might be setoff or credited against Landlord or which might be setoff or credited against future accruing rents or any other sums due from Tenant to Landlord under the Lease, and

c. Tenant has received no notice of a prior sale, transfer, assignment, hypothecation or pledge of the Lease or of the rents secured therein.

3. Prior to pursuing any remedy available to Tenant under the Lease, at law or in equity which Tenant may have as a result of any failure of Landlord to perform or observe any covenant, condition, provision or obligation to be performed or observed by Landlord under the Lease (any such failure hereunder referred to as a "Landlord's Default"), Tenant shall provide Mortgagee with a notice of Landlord's Default (the "Tenant's Notice"), which notice may be sent concurrently with any similar notice to Landlord, specifying the nature thereof and the remedy which Tenant will elect under the terms of the Lease or otherwise. Mortgagee shall have thirty (30) days from the date of Tenant's Notice, or such greater time period as available to Landlord under the Lease, within which to commence to cure Landlord's Default and diligently proceed to complete such cure at all times thereafter. Tenant shall not pursue any remedy available to it as a result of any Landlord's Default unless Mortgagee fails to commence within the time period set forth above or thereafter fails to diligently pursue a cure of any Landlord's Default.

4. The Lease is and shall be subject and subordinate to the Mortgage and to all renewals, modifications, consolidations, replacements and extensions for or of the Mortgage, to the full extent of the principal sum together with interest and all other amounts secured thereby.

5. Tenant acknowledges that Landlord has assigned the Lease and the rents due and collected in connection therewith to Mortgagee, waives notice of acceptance thereof by Mortgagee and agrees to be bound by the terms and provisions thereof, to make no payments contrary to the terms and provisions hereof, and to do every other act and thing necessary or appropriate to carry out

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such items and provisions; provided that Tenant shall continue to make all payments due under the Lease to Landlord specifically directed to an account established at Commercial National Bank of Chicago.

6. Tenant hereby agrees that any interest of Tenant in any insurance, condemnation or eminent domain proceeds or awards made with respect to any interest in the Premises shall be subordinate to the interests of Mortgagee in such proceeds or awards. Tenant will neither seek nor accept insurance, any condemnation or eminent domain proceeds or awards made with respect to any interest in the Premises until all amounts secured by the Mortgage have been paid in full. However, Tenant reserves the right to make a separate claim for trade fixtures and moving expenses if separately allocated.

7. Any notice required or desired to be given under this Agreement shall be in writing and shall be deemed given either when personally delivered and receipted for or two (2) business days subsequent to when mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

To Tenant:

212 Halsted Corp. c/o *Dr. James J. Fortuna*
328 S. Walsh
Chicago 60604

To Mortgagee:

Mail
To: Commercial National Bank of Chicago
4800 N. Western Avenue
Chicago, IL 60625
Attention: Senior Loan Officer

Either party may at any time and from time to time (by providing notice to the other party in the manner set forth above) designate a different address or person, or both, to whom such notices may be sent.

8. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns, and any nominees of Mortgagee who are entitled to rely upon the foregoing statements.

9. The parties hereto agree that this Agreement may be recorded in the public records of the county in which the Property is located.

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10. This Agreement may be executed in any number of counterparts and by each of the undersigned on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

11. This Agreement has been delivered in and shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

TENANT:

212 HALSTED CORPORATION,
an Illinois corporation

By: *Anthony J. Gallo*

Title: Secretary

ATTEST:

By: *James Verros*

Title: President

MORTGAGEE:

COMMERCIAL NATIONAL BANK OF CHICAGO

By: *[Signature]*

Title: Attorney

Property Address: 212 South Halsted, Chicago, Illinois and 777 West Adams Street, Chicago, Illinois

P.I.N. 17-16-109-001; 17-16-109-002; 17-16-109-003; 17-16-109-004; 17-16-109-005; 17-16-109-006; 17-16-109-007; 17-16-109-008; 17-16-109-009; 17-16-109-017